



City of Miami Springs Interoffice Memo

DATE: April 4, 2004

TO: Honorable Mayor Billy Bain and City Council Members

FROM: James R. Borgmann, City Manager

RE: Annexation Report, March 8, 2004

Council has been receiving statistical information in recent meetings regarding our findings on the feasibility of annexing certain land to the east and west of the City. This report seeks to provide answers to the questions we believe are of significant concern to our residents. The Annexation Working Group has done a considerable amount of research on these questions and answers in an attempt to offer complete and correct responses to the comments and questions being asked by our residents and others.

1. WHY IS MIAMI SPRINGS INTERESTED IN ANNEXATION?

- Acquisition of commercial/industrial properties is needed to expand the City's taxbase.
- Secure tax surplus funding from annexation area properties.
- Stem the tide of rising millage rate in City.
- Lower City millage rate.
- Continue to provide quality services/programs to citizens.
- Utilize additional net tax revenue funds for needed capital projects within City.

2. WHY IS THE COUNTY WILLING TO ALLOW ANNEXATION?

- The stated policy of the County is to eliminate enclaves or unincorporated municipal service areas (UMSA) between existing municipal boundaries
- When Doral became a city, these remaining areas became enclaves.
- The County will continue to provide certain services (previously bonded) in these areas and require "mitigation" from annexing municipalities so that such acquisitions are "revenue neutral to the County".
- Annexation of these areas is inevitable; one or more of the four cities will annex them.
- The County wants to have fiscally viable (sustainable) cities.

3. **WHY IS THERE SUCH A DEMAND AND COMPETITION FOR THESE ENCLAVE OR UMSA AREAS?**

- Over and above the cost of having to provide certain municipal services to this area, it is anticipated and expected that significant net revenue surpluses will be generated for the annexing city.
- Each of the cities wants to provide the reasonable and required services and receive the net revenue surpluses.
- Each of the cities wants to control the zoning and uses of the areas annexed.

4. **WILL ANNEXATION IMPACT THE SERVICES PROVIDED WITHIN THE EXISTING AREA OF THE CITY?**

- New personnel, equipment, and other required facilities will be obtained to provide the services and these will be paid for solely by the additional revenue received from the annexation area.
- The impact upon the existing city is expected only to add a net revenue surplus (revenues exceeding the costs of services), allowing Miami Springs to lower the millage rate, fund capital projects, and improve services.
- Likewise, annexation should improve property values in the City by providing the funds for new capital projects, services and lower taxes.

5. **WILL ANNEXATION CREATE A NEW BLOCK OF VOTERS FOR THE CITY?**

- There are no citizens/residents in the proposed annexation area.
- The benefit to the City of annexation is to secure commercial/industrial properties, not residential areas.
- The City would agree to maintain the County zoning and Comprehensive Plan restrictions on the annexed property through at least 2015.
- In the future, the electorate and elected officials of the City would control the use/zoning of the annexed area.
- After 2015, the City could and should refuse to rezone any of the property in the annexation area to residential, just as the City could and should refuse to rezone any of the land within the existing city boundaries to higher density.
- The benefit of keeping this area commercial/industrial is that the cost of providing municipal services is much less than the cost of providing services to residential areas – therefore, more tax surplus will be received by the City.
- If the City Council does not want to change the use to residential, the City Council will be in control – It will not change the zoning.

6. **WILL THE CITY ACQUIRE RESPONSIBILITY FOR HAZARDOUS WASTE CLEAN-UP IN ANNEXATION AREAS?**

- The City will not incur liability for cleanup costs merely by including any hazardous waste sites within the City boundaries. See supporting legal opinion obtained by the City (copy attached).
- The only parties responsible for such cleanups are property owners, site operations, site contributors, or site transporters.
- These are matters that are legislated and controlled by the County/DERM office and the Federal/EPA office.

7. **WHAT ARE THE POTENTIAL NEGATIVE IMPACTS OF ANNEXATION?**

- It is possible that government, being government, will not operate as efficiently as it should in providing the municipal services to the annexation area. Any inefficiency would reduce the amount of tax surplus received each year by the City.
- It's possible that the annexation will divert the attention of City management, causing the City to operate less efficiently and eventually impacting citizen services. It's possible that this may happen, even though new personnel will be hired to service the annexed areas.

8. **WON'T THE CITY NEED TO PROVIDE ROADWAY, DRAINAGE, CODE ENFORCEMENT, AND POLICE SERVICES IN THESE AREAS?**

- The City will provide some of these services, but the City will fund all required new employees, new equipment purchases, and other expenses of providing services with a portion of the tax surplus received from the annexed areas.
- In addition, areas requiring special services will be required to fund such services through special assessments or Special Improvement Districts that should not otherwise impact the budget of the City.
- Finally, many services such as fire, water, sewer, and garbage will continue to be provided by the County and not the City.

9. **WHAT ABOUT OFFENSIVE USES THAT ALREADY EXIST IN THE ANNEXATION AREA?**

- These uses exist now and have an impact now. They will not go away if we don't annex these areas.
- They won't go away if we do annex the area. The City will be required to continue to permit such uses on a "grand fathered" basis or as part of our agreement with the County to maintain existing zoning and comprehensive plan through at least 2015.
- The fact is that these properties are located in the commercial/industrial area and will remain in the commercial/industrial area, isolated from the residential areas of the City.

- The City has more control than if we don't annex the areas in which these uses exist.

10. WHAT IMPACT WILL ANNEXATION HAVE ON THE RESIDENTIAL NATURE OF THE CITY?

- The same impact as has been experienced from the annexation of the Abraham tract, which in my opinion is no impact.
- There will be no change to the existing residential areas of the City. The commercial/industrial areas included in the proposed annexation area are isolated and separated from the existing residential areas of the City. They are separated by a canal and rail yard. The only impact on the existing residential areas should be the receipt of tax surplus funding. This area has existed there for years and has not had a negative impact on our housing values.

11. WILL THE SIZE OF THE AREA PROPOSED FOR ANNEXATION BE A NEGATIVE FACTOR?

- Whatever portion of the proposed annexation area is eventually secured will be supported by a proportionate amount of personnel, equipment, services, and facilities.
- The costs of these items will be funded from the tax money received from these areas by the City.
- The actual size of the annexed area should have no impact upon the existing City, except that at some measuring point, proposed personnel, equipment, services, and facilities can either be increased or reduced.

12. WHY IS THE CITY NOT ABLE TO PROVIDE MORE SPECIFIC FINANCIALS AND GEOGRAPHICAL INFORMATION ON ANNEXATION TO ITS CITIZENS?

- The City's annexation working group has been working to develop many possible annexation scenarios.
- Until the four (4) cities in competition for the various annexation areas agree, it is impossible to provide more specific revenue and cost figures.
- While the numbers provided by the City's consultant for annexation are only approximations, they can be readjusted and fixed shortly after the areas of annexation are approved.
- At that time, the City will then need to negotiate a mitigation figure with the County before final numbers can be provided to the public.

13. WHY HAS THE ANNEXATION COMMITTEE NOT PUBLICIZED MORE INFORMATION ON ANNEXATION?

- Much of the information and documentation was ongoing and a work in progress.
- Premature dissemination of information that was not complete would provide only the basis to criticize the City's annexation efforts- releasing incomplete information could be considered improper.
- The City Council has many times assured the citizens that all information and documentation on annexation would be made public prior to the City Council's final vote on annexation.

14. HAS THE CITY FAILED TO BE RESPONSIVE TO ITS CITIZENS IN REGARD TO ANNEXATION?

- The City has conducted a number of preliminary public meetings on annexation.
- The citizens have now begun to receive regular updates on annexation at City Council meetings from Councilman Youngs.
- The City has responded to a number of public record requests from citizens for information and documentation on annexation.
- The City has provided copies of annexation information and documentation from its consultant to citizens.
- Councilman Youngs has conducted a number of individual and group discussions and presentations on annexation, and has offered to meet with any citizen requiring additional information.
- It would not have been timely or appropriate to discuss annexation options as we were still in a situation where we were asked by county elected officials to negotiate with the three other cities.

15. HOW WILL THE FINAL DECISION ON ANNEXATION BE DECIDED?

- The City Council will make a final decision on a specific annexation proposal with the input from the citizens.
- The City Council will decide the method of obtaining citizen input. It can consider using public hearings, town hall meetings, fliers, brochures, surveys, questionnaires, a straw ballot, a referendum, or a special election to adopt charter amendments concerning annexation.